This record is a partial extract of the original cable. The full text of the original cable is not available.

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STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
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USCINCCENT MACDILL AFB FL FOR POLAD/USIA ADVISOR
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JERUSALEM ALSO FOR ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO
E.O. 12958: N/A
TAGS: IS KMDR MEDIA REACTION REPORT
SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

¶1. Mideast

¶2. Israel's Leadership

Key stories in the media:

All media reported that the Likud has started its process of toppling PM Sharon. The party's Central Committee will vote on September 26 on a proposal to advance the Likud's leadership primaries, which could take place on November 22, followed by a February 21 general election. In an interview broadcast last night on Channel 10-TV, Sharon made an unprecedented attack against Binyamin Netanyahu, who Sharon said "is an anxious, tense man who deals poorly with pressure, panics, and loses his head." Sharon added: "A man who panics and loses control cannot lead a country, particularly a special country like Israel with more difficult and complex problems than other countries. In order to run this country, you have to have good judgment and nerves of steel, and Netanyahu has neither." Sharon sharply criticized Netanyahu's "irresponsibility" regarding the budget and the disengagement plan. Sharon also said he would dismantle some settlements in the West Bank. Israel Radio quoted Netanyahu associates as saying that Sharon is panicking.

Ha'aretz quoted U.S. and Israeli officials as saying that Washington has rescinded its demand that Israel and the U.S. jointly mark the boundaries of settlements in the West Bank. The newspaper says that neither side reportedly has an interest in marking the boundaries: for Israel, it would be an uncomfortable concession; for the U.S., it would legitimize the existing settlements. Ha'aretz quoted U.S. officials as saying they are now making due with warning Israel to refrain from expanding the West Bank settlements.

Ha'aretz reported that an interministerial committee, headed by a Defense Ministry official, decided Monday that the victims of the terrorist attack in Shfaram will receive a one-time compensation from the state, but will not be recognized as terror victims.

Ha'aretz (English Ed.) reported that Adar Primor has been appointed its new editor. He served as Ha'aretz's foreign news editor from 1994 until last month.

Ha'aretz and Israel Radio reported that in Arizona on Monday, President Bush urged PA Chairman [President] Mahmoud Abbas to show the courage to crack down on terrorism. The President praised Sharon's disengagement decision, saying: "It took political courage to make that decision. And now it's going to take political courage by the Palestinians ... and Abbas to step up, reject violence, reject terrorism, and build a democracy." Ha'aretz printed a Reuters dispatch, which cited a statement issued by the official PA News agency, according to which Abbas condemned the Beersheva bombing, calling it a "terrorist attack."

Ha'aretz quoted Palestinian sources as saying that Egyptian intelligence chief Omar Suleiman, who visited Gaza on Monday, proposed that Israel continue supervising the entrance of goods and people into Gaza following the pullout, but only for six months. That would give Israel time to examine the PA's functioning in Gaza and also provide additional time for negotiations over a permanent solution. The newspaper writes that unofficially, Palestinian officials did not rule out such a compromise. Jerusalem Post reported that Suleiman urged Hamas and Islamic Jihad to stop their attacks against Israel.

Israel Radio reported that Israeli and Palestinian officers met Monday at the Erez Crossing to discuss the handover of security responsibility over the Gaza Strip. The station quoted the Palestinians as saying that they thwarted an anti-tank missile attack against IDF troops on the Karni-Netzarim road on Monday. Leading media reported that the IDF uncovered a 20 meter-deep weapons smuggling tunnel in the Philadelphi Corridor on Monday, the 30th such tunnel found in the last three months. All media also reported that Monday at the Hawara checkpoint in the West Bank, IDF soldiers arrested Hassan Abu Khalifa, a 15-year-old Palestinian youth from Nablus, who was allegedly carrying pipe bombs.

The EU's High Representative for Common Foreign and Security Policy Javier Solana, who is visiting Israel and the PA, was quoted as saying in an interview with Ha'aretz on Monday that Israel and the PA must take advantage of the momentum generated by the disengagement to move the peace process forward.

Jerusalem Post reported that Defense Minister Shaul Mofaz has issued an order to evacuate "Rinat Shalhevet," which has been a controversial Jewish outpost in the heart of the Old City of Hebron since ¶1994.

Yediot reported that Tel Aviv University Professor Yitzhak Ben Israel was appointed chairman of the Israel Space Agency on Monday, replacing Prof. Yuval Ne'eman.

Citing the Italian daily Corriere Della Sera, Ha'aretz reported that the Vatican has admitted that an inadvertence was the cause of the non-inclusion of Israel in a list of countries that have been victims of international terrorism.

Hatzofe bannered the results of a Midgam Institute survey among registered Likud members, according to which Sharon would lose against a coalition of rightwing Likud leaders under Netanyahu, which would garner 59 percent of the vote for party leadership.

All media extensively covered the damage caused by Hurricane Katrina in several Gulf Coast U.S. states. Some TV stations held interviews with correspondents of U.S. TV networks -- live from disaster-struck areas.

¶1. Mideast:

# Summary:

Senior op-ed writer Akiva Eldar wrote in independent, left-leaning Ha'aretz: "Bush, with all his friendship for Sharon, is not offering any free lunches; the price for recognizing the end of the occupation in Gaza will be allowing freedom of movement in the West Bank and free passage between it and Gaza."

Yossi Ben-Aharon, who was director-general of the Prime Minister's Office under former PM Yitzhak Shamir, argued in popular, pluralist Maariv: "Abandoning the Philadelphi route to the Egyptians and the Palestinians constitutes dangerous gambling in the best case."

Former Ambassador to the U.S., former Minister of Foreign Affairs, and former Minister of Defense Moshe Arens wrote in Ha'aretz: "[Forcing citizens out of their homes] is certainly a concept foreign to Western democratic societies and most unlikely to be adopted by any other democratic government in this day and age."

Nationalist, Orthodox Hatzofe editorialized: "The Secretary of State's signals that the withdrawal from  $\,$ 

### SIPDIS

Gush Katif 'is only the beginning' tell us that the major struggle is still ahead of us."

### ¶I. "No Free Lunches From Bush"

Senior op-ed writer Akiva Eldar wrote in independent, left-leaning Ha'aretz (August 30): "More than all the compliments, it is important for Sharon that the U.S. administration recognize Israel's departure from the Gaza Strip as the official end of the occupation in that area. From there it is just a short way to a UN declaration that Israel no longer bears responsibility for what happens in the Gaza Strip. So long as the international community, led by the U.S., does not recognize the withdrawal as the end of the occupation, it means Israel lost the communities there, ceded military control there and still continues to be seen military control there and still continues to be seen as the occupier, with all the legal and political ramifications of that status. Bush, with all his friendship for Sharon, is not offering any free lunches; the price for recognizing the end of the occupation in Gaza will be allowing freedom of movement in the West Bank and free passage between it and Gaza."

### "A Danger at the Gaza Border"

Yossi Ben-Aharon, who was director-general of the Prime Minister's Office under former PM Yitzhak Shamir, argued in popular, pluralist Maariv (August 30): "Sheikh Dr. Muhammad Tantawi heads Al Azhar University. He is the supreme religious authority in Egypt -- and even more than that. He has recently published a fatwa that states that 'a person who blows himself up should be considered as having committed suicide, except for acts of resistance in Palestine, whose executors are shahids [martyrs].' One can imagine how that fatwa would influence an Egyptian officer posted along the Philadelphi route, who would discover a Palestinian smuggling missiles and explosive belts into Gaza. Furthermore, that officer and his subordinates are exposed daily to venomous attacks against Israel in the Egyptian media, and to reports about increasing Egyptian activity in the international arena. This being considered, abandoning the Philadelphi route to the Egyptians and the Palestinians constitutes dangerous gambling in the best case.'

### "What Is Sharon Up To?"

Former Ambassador to the U.S., former Minister of Foreign Affairs, and former Minister of Defense Moshe Arens wrote in Ha'aretz (August 30): "More than anyone else, [Sharon] is responsible for the map of Israeli settlements and the absence of significant settlement blocs in Judea and Samaria [i.e. the West Bank]. Settlement blocs were evidently not part of his dream. Sharon seems to have adopted a conception, which he shares with many Israelis, that any territory turned over to Palestinians, whether unilaterally or as part of an agreement, must first be cleared of any and all Jews living there.... It is high time that Israelis ask themselves whether forcibly evicting Jews from their homes in territories turned over to Palestinian control accords with the norms of a democratic society, or can really be viewed as an essential part of peacemaking in the Middle East. It is certainly a concept foreign to Western democratic societies and most unlikely to be adopted by any other democratic government in this day and age.

## "Only the 'First Step'"

Nationalist, Orthodox Hatzofe editorialized (August 30): "Secretary of State Condoleezza Rice has repeatedly declared that the Israeli withdrawal from Gush Katif was only the 'first step' of Israel's pullout. Palestinian Authority Chairman Abu Mazen subsequently proclaimed that Israel would later withdraw from Judea and Samaria [i.e. the West Bank], and Jerusalem.... According to some reports, the calm is not being preserved along the new line, despite promises and pledges by the PA. [Israeli] defense sources believe that no quiet can be expected along the new border in the South -- or in Judea and Samaria. Everything indicates that tension will continue. The Secretary of State's signals that the withdrawal from

Gush Katif 'is only the beginning' tell us that the major struggle is still ahead of us.'

<sup>¶2.</sup> Israel's Leadership:

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Diplomatic correspondent Aluf Benn wrote in independent, left-leaning Ha'aretz: "Netanyahu is counting on the fears of the public; the dim hope Sharon offers is simply a different package for the product called 'vote for me.'"

Political parties correspondent Sima Kadmon wrote in mass-circulation, pluralist Yediot Aharonot: "Contrary to expectations, Sharon did not veer to the Right."

Political parties correspondent Nadav Eyal wrote in popular, pluralist Maariv: "If [Sharon] fails, his political future will be dealt a mortal blow. Not surprisingly, so will the political future of the Likud."

# Block Quotes:

## ¶I. "Who Benefits From the Fear?"

Diplomatic correspondent Aluf Benn wrote in independent, left-leaning Ha'aretz (August 30): "Like insurance, Israeli politics also sells fear. Benjamin Netanyahu is building his campaign to return to the Prime Minister's Office on the public's fear of Palestinian terror. He warns against a terrorist state arising in Gaza, al-Qaida bases and Qassam rockets landing in Ashkelon. Experience has taught him that this works: in 1996, Netanyahu won the elections after a wave of terror, backed by a warning that 'Peres will divide Jerusalem'... Palestinian terror is not a scarecrow. It is alive and active ... and it is slowly and painfully folding Israel back to the Green Line.... Therefore, political declarations must be taken in proportion. It is all a matter of marketing. Netanyahu is counting on the fears of the public; the dim hope Sharon offers is simply a different package for the product called 'vote for me.'"

# II. "Disengaging"

Political parties correspondent Sima Kadmon wrote in mass-circulation, pluralist Yediot Aharonot (August 30): "If there was any lingering doubt about the Prime Minister's situation in his own party, the ruling handed down by the Likud court removed it: in its ruling Monday, the court authorized the party to begin the process of removing the Prime Minister from office... And as if that weren't enough, the Prime Minister was given a second resounding slap in the face on Monday: a leak emerged from a private meeting that the Defense Minister held on Monday that Mofaz intends to remain in the Likud and, if Sharon were not going to run he, Mofaz, would seek the Likud leadership. The Defense Minister, who executed the disengagement plan and who backed up the Prime Minister the entire way, the man who was supposed to be Sharon's chief partner in the splinter party-now has made everyone doubt Sharon's intentions or abilities.... Sharon said on Monday that he was staying in the Likud, but appealed to another camp, a large camp in the Center and the Left that supports him and expects him to continue with the process that he began. His statements about the evacuation of additional settlements in Judea and Samaria [i.e. the West Bank] were not aired for the benefit of the Likud Central Committee members and, contrary to expectations, Sharon did not veer to the Right. There's no urgency: he still has four weeks left to play on every court."

### III. "Turn and Turnabout"

Political parties correspondent Nadav Eyal wrote in popular, pluralist Maariv (August 30): "We can imagine the picture. Ariel Sharon stands, silent, facing the turbulent, shouting Central Committee of the Likud... They will dismiss him, and he will be a regal, restrained, balanced prime minister -- a stable captain opposite the extreme Right. Sharon's advisers say that this is a dream for the campaign of a Sharon party: the Likud's Central Committee, perhaps one of the most hated groups in Israel, dismisses one of the most popular prime ministers because he took Israel out of Gaza. There will be no better way for Sharon to prove that the Likud has ceased to be a ruling party. There will be no better way to announce the establishment of a new ruling party... Nevertheless, and with all due respect to public support, Sharon's political future is in grave danger. Right now he is losing the battle over the Likud, the only ruling party, his assets and power are slipping through his fingers, his rivals are attaining objectives while he has no choice but to retreat... Anyone who wants to win in the party does

not insult its members. Sharon has completed the process of his emotional disengagement from the Likud even though he still hopes to turn things around and manage to survive. If he fails, his political future will be dealt a mortal blow. Not surprisingly, so will the political future of the Likud."

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